THE VICE-CHAIRMAN(SHRI ADHIK SHIRODKAR): Mr. Basu, you know what can be done. Now Shri Pramod Mahajan will make a statement.

STATEMENT BY MINISTER

Y2K Problem in Computers and Computer - Based systems and readiness of the country

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF INFORMATION TECHNOLOGY (SHRI PRAMOD MAHAJAN): Sir, the Y2K (Year 2000) problem has been receiving the attention of the Government during the years 1998 and 1999. This problem is associated with computer and computer based systems and results from an industry wide practice of representing years with only two digits instead of four (for example, specifying 96 instead of 1996). This practice was widespread from 1960 to 1980, to save disk and memory space when these resources were relatively expensive. When used, these two digits representation can cause the system to interpret the Year 2000 as 1900 and years 2001 and 2002 as 1901 and 1902 respectively. The miscalculation could create serious problems in those date sensitive applications such as reservation systems, ticketing, banking operation and insurance. The Y2K problem is all pervasive for it affects the hardware, software, communication sub-systems and all digital systems having embedded system.

The Government has sensitized all the concerned Ministries/Departments, agencies and organisations in public and private sector about Y2K problem and the need for remedial measures necessary for achieving Y2K readiness. The awareness campaign includes advertisement in newspapers, magazines, television, radio and direct mailers highlighting the impact of Y2K. A facilitation desk and website have been created to disseminate the information about Y2K problem.

An important incentive granted by the Government was provision to provide for deduction in computing the profits and gains of business or profession, of any expenditure incurred, wholly and exclusively to make the existing computer systems Y2K compliant for the year 1999-2000. The Government also permitted the various Ministries, Departments and

agencies to spend up to three per cent of their budget for Y2K preparedness. The Government further mandated that all companies must declare their status of Y2K preparedness in their quarterly and annual reports.

The Committee of Secretaries has also been reviewing the status of Y2K readiness of eleven critical sectors, namely, banking and finance, insurance, telecommunications, power, civil aviation, railways, petroleum and natural gas, ports, space, atomic energy and defence. The overall assessment is that a high degree of Y2K readiness has been achieved by these sectors and third party audit has also been carried out. The contingency plan is also in place. Two of the priority sectors, namely, civil aviation and power have been reviewed by foreign consultants through International Civil Aviation Organisation (ICAO) and World Bank. These experts have completed the audit and their draft report certifies the Y2K readiness of these two sectors at par with international standard.

The Government of India had set up a high level Action Force on managing the impact of Y2K problem in India with representatives from Government, industry associations, banks and financial institutions, railways, defence services, utility and other public service organisations as members. The Action Force in October 1999 submitted its Report which was widely disseminated. The Action Force has also been closely monitoring the progress of Y2K readiness in all the sectors at the national level.The State Governments also have an important role to play at this critical stage of Y2K readiness process because many of these sectors, involving a direct interface with the public, are in the purview of the State Governments. The Prime Minister has addressed letters to Chief Ministers of all the States and Union Territories advising them of the importance of Y2K readiness and to initiate necessary remedial action.

The Ministry of Information Technology is setting up a National Control Room at the headquarter of the National Informatics Centre at New Delhi. They will closely coordinate and work with the sectoral control rooms of the various Ministries of the Government of India and will operate from 28th December, 1999, to 3rd January, 2000. All the State Governments have also been requested to set up Control Rooms in State capitals and district headquarters to provide information and technical support.

I want to reassure all the hon. Members of this august House that the Government has spared no effort to ensure the Y2K readiness of all the sectors so that the public is not put to inconvenience on account of this man-made problem. We are watching the situation closely and all the concerned sectors are continuously monitoring, checking and rechecking their state of preparedness so that the roll over to the new millennium is smooth.

SHRI BRATIN SENGUPTA (West Bengal): Sir, I would first thank the Minister for this statement. My only point is, the bank holders, the rail travellers, the air travellers and the other vulnerable sections of our country would have been affected by this Y2K problem. From the Government side, can the Minister assure all of them that there is not going to be any kind of irregularity or any kind of dislocation in whatever form they are? That is all.

SHRI KAPIL SIBAL (Bihar): Sir, I need only one small clarification. No system is fool-proof. Despite whatever the Government does, it is not going to work hundred per cent. The only question I have is this. Do you have any fall-back arrangements, in the sense, do you have any back-ups so that if one system fails, there is, at least, something to fall back upon?

SHRI N. THALAVAI SUNDARAM (Tamil Nadu): I would like to ask only one question about the civil aviation sector. The Y2K compliance in our country is 99% okay. But, it was in yesterday's 'Pioneer' that there could be a one per cent chance of a problem. The hon. Minister forgot, as far as the civil aviation sector was concerned.

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): I have only one point. The hon. Minister mentioned that a contingency plan was in place. What is that contingency plan that the Government has?

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR): Mr.Minister, would you allow me to add one more point? In para 4, you have referred to various institutions, but many hospitals using computerised devices like scanners, etc. also require Y2K compliance. That is not mentioned. Is it inadvertantly left out or is it my lack of knowledge that they require it?

SHRI PRAMOD MAHAJAN: Sir, so far as the eleven critical

sectors, including banks, civil aviation, etc. are concerned, I have already mentioned in my statement that all precautions have been taken. Some hon. Member mentioned about a one per cent chance; I do not know...

SHRI N. THALAVAI SUNDARAM: Sir, there was this news report which appeared yesterday about the international airlines.

SHRI PRAMOD MAHAJAN: Sir, as far as our airlines are concerned, they are all operating on the 31st of December, 1999. The international airlines are a little worried. But, as I said, so far as our civil aviation sector is concerned, the Y2K preparedness has been checked and rechecked by international agencies and we think that our civil aviation sector's Y2K preparedness is at par with the international standards. If some international airlines do not believe in this, one cannot force them to believe in the report. But we had, as I have mentioned in our report, the international agencies to check and recheck the whole thing and I really do not see any problem about it.

You have mentioned about the hospitals. Now, it is a question of definition of critical sectors, but the hospitals have also been advised to be ready with Y2K compliance. Sometimes, nowadays, you might be seeing even in the lifts, while going up and down, that it is Y2K complaint. So, we have informed all the sectors, the Central Government organisations down the line, wherever one is using computers. As I explained, Sir, wherever you are using computers, the zero-zero should be read as two thousand and not 1900 or something like that. So, wherever computers are being used, we are trying our level best to check all these things, but we are taking up the critical sectors on priority so that unforeseen accidents do not happen. Otherwise, as you said, in some operations also we can take care. If anything is remaining, I will again recheck, particularly the health sector, to find out what they are doing. As some hon. Member very rightly said, there cannot be any fool-proof system. That is why I said it has to be checked and rechecked. That is also why we are having this Control Room at the NIC, where, from the 28th of December to the 3rd of January -- this is the critical period when the dates will change in the computers and the Y2K bug is likely to hit -- we are going to monitor the whole thing round-the-clock, at the national level as also at the State level, and wherever any problem arises, we will try to rectify at that juncture. As I said, there is a contingency plan or a fall-back arrangement. It is very difficult for me to give all the details

about each contingency plan. But as I said, the first thing is the civil aviation sector which we are looking into. Secondly, we have decided to look into power, because power failure can create all kinds of failures. Then, naturally, one has to look into the banks because the whole accounting system depends on it. Even in that critical sector, we have to decide which is the most important sector. But in all sectors, there are problems...

SHRI DIPANKAR MUKHERJEE (West Bengal) : What about atomic energy?

SHRI PRAMOD MAHAJAN : Yes, the atomic energy sector is also there. The Americans are even printing billions of notes and they are really going back to the traditional Indian system of keeping notes in matkas and gadagas in the next millennium. So, there is this psychological problem. So, we have taken all the precautions. That is why I said that I can assure the hon. Members that the Government has spared no effort in making the country Y2K complaint; we are prepared for it. Touch wood! You are talking about one per cent. So, I am sure that we will go into the millennium without any problem, as far as the Y2K bug is concerned.

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) : Thank you, Mr. Minister, I am....*(Interruptions)*...

SHRI BRATIN SENGUPTA (West Bengal) : Sir, a lot of campaign is required in the media. The Government should be aware of the worries of the people.

SHRI PRAMOD MAHAJAN : I was afraid of somebody saying that there was too much campaign and too many people were coming on the television. We have done it. But in the last week, we can intensify the campaign.

THE VICE-CHAIRMAN (SHRI ADHIK SHIRODKAR) : Thank you, Mr. Minister, I am confident that this House is very happy about your statement.

The House now stands adjourned till 11.00 a.m. tomorrow.

The House then adjourned at twenty-five minutes past seven of the clock,till eleven of the clock on Tuesday, the 21st December, 1999.